Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning , 2009, and ending , 20

B Check if applicable: Address change; Name change; Initial return; Terminated; Amended return; Application pending

C Name of organization NFIB SMALL BUSINESS LEGAL CENTER

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address) 53 CENTURY BOULEVARD, SUITE 250 Room/suite

City or town, state or country, and ZIP + 4 NASHVILLE, TN 37214-3682

D Employer identification number 62-1570449

E Telephone number (615) 872-5800

G Gross receipts $ 987,021.

F Name and address of principal officer: DONALD A DANNER
1201 F ST. NW, SUITE 200 WASHINGTON, DC 20004

H(a) Is this a group return for affiliates? Yes [ ] No [X]

H(b) Are all affiliates included? Yes [ ] No [ ]
If "No," attach a list. (see instructions)

I Tax-exempt status: [X] 501(c) (3) ◀ (insert no.) [ ] 4947(a)(1) or [ ] 527

J Website: ▶ WWW.NFIB.COM/LEGAL

H(c) Group exemption number ▶

K Form of organization: [X] Corporation [ ] Trust [ ] Association [ ] Other ▶

L Year of formation: 1994 M State of legal domicile: TN

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities:
THE NFIB SMALL BUSINESS LEGAL CENTER'S MISSION IS TO BE THE VOICE FOR SMALL BUSINESS IN THE NATION'S COURTS AND THE LEGAL RESOURCE FOR SMALL BUSINESS OWNERS NATIONWIDE.

2 Check this box ▶ [ ] if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	13
5	Total number of employees (Part V, line 2a)	5	3
6	Total number of volunteers (estimate if necessary)	6	28
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

Public Inspection

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	983,485.	986,633.
9	Program service revenue (Part VIII, line 2g)	0.	0.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,192.	388.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0.	0.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	987,677.	987,021.
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	467,474.	525,404.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses, Part IX, column (D), line 25) ▶ 287,357.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	533,572.	442,399.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	1,001,046.	967,803.
19	Revenue less expenses. Subtract line 18 from line 12	-13,369.	19,218.
Net Assets or Fund Balances		**Beginning of Year**	**End of Year**
20	Total assets (Part X, line 16)	251,735.	346,872.
21	Total liabilities (Part X, line 26)	56,728.	132,646.
22	Net assets or fund balances. Subtract line 21 from line 20	195,007.	214,226.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer — Date 5/14/10

▶ Jeff Smith Treasurer
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ Date 5-11-2010 Check if self-employed ▶ [ ] Preparer's identifying number (see instructions) P00292939

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ KPMG LLP, 300 NORTH GREENE STREET, SUITE 400 GREENSBORO, NC 27401

EIN ▶ 13-5565207

Phone no. ▶ 336-275-3394

May the IRS discuss this return with the preparer shown above? (see instructions) [ ] Yes [X] No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. *

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

ATTACHMENT 2

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . [ ] Yes [X] No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . [ ] Yes [X] No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ______) (Expenses $ 652,597. including grants of $ 0.) (Revenue $ 0.)

SEE ATTACHMENT 1 FOR SUMMARY OF 2009 CASES

4b (Code: ______) (Expenses $ ______ including grants of $ ______) (Revenue $ ______)

4c (Code: ______) (Expenses $ ______ including grants of $ ______) (Revenue $ ______)

4d Other program services. (Describe in Schedule O.)

(Expenses $ ______ including grants of $ ______) (Revenue $ ______)

4e **Total program service expenses** ▶ 652,597.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		X
5	**Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? *If" Yes," complete Schedule D, Part V*	10		X
11	Is the organization's answer to any of the following questions "Yes"? *If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable*	11	X	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*			
	• Did the organization report an amount for investments—other-securitiesin Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*			
	• Did the organization report an amount for investments-program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*			
	• Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? *If "Yes," complete Schedule D, Part X.*			
12	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII.*	12	X	
12 A	Was the organization included in consolidated, independent audited financial statement for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional.* — 12A: Yes X, No			
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E.*	13		X
14 a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Part I*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II.*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20		X

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		X
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24 a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to question 25*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25 a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35	X	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O.	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a 14		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 3		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* this return. (see instructions)	2b	X	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b	If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	**Organizations that may receive deductible contributions under section 170(c).**			
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		X
9	**Sponsoring organizations maintaining donor advised funds.**			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	**Section 501(c)(7) organizations.** Enter:			
a	Initiation fees and capital contributions included on Part VIII, line 12	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11	**Section 501(c)(12) organizations.** Enter:			
a	Gross income from members or shareholders	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		

Part VI Governance, Management, and Disclosure *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . . . 1a 14			
1b	Enter the number of voting members that are independent . . . 1b 13			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		X
6	Does the organization have members or stockholders?	6		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9a		X

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11		X
11A	Desribe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this is done*	12c	X	
13	Does the organization have a written whistleblower policy?	13	X	
14	Does the organization have a written document retention and destruction policy?	14		X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	X	
b	Other officers or key employees of the organization	15b	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ ATTACHMENT 3

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ JEFF SMITH 53 CENTURY BLVD. SUITE 250 NASHVILLE, TN 37214-3682
615-872-5800

Part VII **Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
BRADLEY EIFFERT DIRECTOR	1.00	X						0.	16,204.	203.
DON COGMAN DIRECTOR	1.00	X						0.	16,000.	203.
TOM MUSSER DIRECTOR	1.00	X						0.	7,204.	203.
SUNDER RAMANI DIRECTOR	1.00	X						0.	16,000.	203.
TIMOTHY CLAYTON CHAIRMAN	1.00	X						0.	38,211.	203.
RUTH LOPEZ NOVODOR DIRECTOR	1.00	X						0.	8,000.	203.
A JUNE LENNON DIRECTOR	1.00	X						0.	16,000.	135.
THOMAS MICHAEL NOBIS DIRECTOR	1.00	X						0.	8,204.	203.
MARIA COAKLEY DAVID DIRECTOR	1.00	X						0.	8,204.	203.
DAVID M GUERNSEY DIRECTOR	1.00	X						0.	16,380.	203.
ROBERT BLACKWELL DIRECTOR	1.00	X						0.	500.	203.
NEVIN GROCE DIRECTOR	1.00	X						0.	5,500.	203.
BETTY NEIGHBORS DIRECTOR	1.00	X						0.	8,204.	203.
TODD A STOTTLEMYER PRESIDENT/CEO	40.00	X		X				0.	80,970.	16,355.
DONALD A DANNER PRESIDENT/CEO	40.00	X		X				0.	864,286.	73,452.
MARY BLASINSKY SVP/SECRETARY	40.00			X				0.	374,889.	63,042.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week	(C) Position: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
TAMMY S BOEHMS SVP/CFO	40.00			X				0.	387,805.	42,609.
DARREN ELROD TREASURER	40.00			X				0.	49,550.	9,298.
KAREN R HARNED EXECUTIVE DIRECTOR	40.00				X			167,539.	0.	21,414.
BETH MILITO EXECUTIVE SENIOR COUNSEL	40.00					X		147,730.	0.	7,644.
1b Total ▶								315,269.	1,922,111.	236,385.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 2

		Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 4		

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 1

Part VIII Statement of Revenue 62-1570449

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	427,060.				
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	559,573.				
	g Noncash contributions included in lines 1a-1f: $						
	h Total. Add lines 1a-1f			986,633.			
Program Service Revenue		Business Code					
	2a						
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f			0.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			388.			388.
	4 Income from investment of tax-exempt bond proceeds			0.			
	5 Royalties			0.			
		(i) Real	(ii) Personal				
	6a Gross Rents						
	b Less: rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss)			0.			
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory						
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)						
	d Net gain or (loss)			0.			
	8a Gross income from fundraising events (not including $ of contributions reported on line 1c). See Part IV, line 18	a					
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events			0.			
	9a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities			0.			
	10a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory			0.			
	Miscellaneous Revenue	Business Code					
	11a						
	b						
	c						
	d All other revenue						
	e Total. Add lines 11a-11d			0.			
	12 Total Revenue. See instructions			987,021.	0.	0.	388.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	0.			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	188,953.	188,953.		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	238,308.	238,308.		
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0.			
9 Other employee benefits	73,709.	73,709.		
10 Payroll taxes	24,434.	24,434.		
11 Fees for services (non-employees):				
a Management	0.			
b Legal	83,691.	78,516.	375.	4,800.
c Accounting	11,780.		11,780.	
d Lobbying	0.			
e Professional fundraising services. See Part IV, line 17	0.			
f Investment management fees	0.			
g Other	70,842.	3,090.		67,752.
12 Advertising and promotion	2,351.	2,351.		
13 Office expenses	259,760.	34,371.	10,584.	214,805.
14 Information technology	0.			
15 Royalties	0.			
16 Occupancy	0.			
17 Travel	9,884.	5,842.	4,042.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	4,091.	3,023.	1,068.	
20 Interest	0.			
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	0.			
23 Insurance	0.			
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a				
b				
c				
d				
e				
f All other expenses				
25 **Total functional expenses.** Add lines 1 through 24f	967,803.	652,597.	27,849.	287,357.
26 **Joint Costs.** Check here ▶ ☐ if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	183,260.	1	158,360.
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	30,986.	4	9,860.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges		9	
	10 a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a			
	b	Less: accumulated depreciation — 10b		10c	
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	37,489.	15	178,652.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	251,735.	16	346,872.
Liabilities	17	Accounts payable and accrued expenses	37,277.	17	33,950.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities. Complete Part X of Schedule D	19,451.	25	98,696.
	26	**Total liabilities.** Add lines 17 through 25	56,728.	26	132,646.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	195,007.	27	214,226.
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	195,007.	33	214,226.
	34	Total liabilities and net assets/fund balances	251,735.	34	346,872.

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990: [ ] Cash [X] Accrual [ ] Other ______ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both: [ ] Separate basis [ ] Consolidated basis [X] Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	3b		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number: 62-1570449

Part I **Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 [ ] A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 [ ] A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 [ ] A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 [ ] A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: ______

5 [ ] An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 [ ] A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 [ ] An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 [ ] A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 [ ] An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 [ ] An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 [X] An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a [X] Type I b [ ] Type II c [ ] Type III - Functionally integrated d [ ] Type III - Other

e [X] By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box . . . . . [ ]

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)		X
(ii) A family member of a person described in (i) above?	11g(ii)		X
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)		X

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document? Yes	No	(v) Did you notify the organization in col. (i) of your support? Yes	No	(vi) Is the organization in col. (i) organized in the U.S.? Yes	No	(vii) Amount of support
NFIB, INC.	94-0707299	501(C)(6)	X						0.
Total									0.

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)** (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) 14 %

15 Public support percentage from 2008 Schedule A, Part II, line 14 15 %

16a **33 1/3 % support test - 2009.** If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3 % support test - 2008.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3 % or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10%-facts-and-circumstances test - 2009.** If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10%-facts-and-circumstances test - 2008.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organzation meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18	Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

19a **33 1/3 % support tests - 2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3 % support tests - 2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No. 1545-0047

2009

Name of the organization
NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number
62-1570449

Organization type (check one):

Filers of:	Section:
Form 990 or 990-EZ	[X] 501(c)(3) (enter number) organization
	[ ] 4947(a)(1) nonexempt charitable trust not treated as a private foundation
	[ ] 527 political organization
Form 990-PF	[ ] 501(c)(3) exempt private foundation
	[ ] 4947(a)(1) nonexempt charitable trust treated as a private foundation
	[ ] 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[X] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

[ ] For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year . . . . ▶ $ ____________

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number 62-1570449

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		$ 427,060.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
2		$ 7,500.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
3		$ 5,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
4		$ 6,500.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
5		$ 5,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number: 62-1570449

Part I **Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II **Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or pleasure)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ ____

4 Number of states where property subject to conservation easement is located ▶ ____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ ____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ ____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ____

(ii) Assets included in Form 990, Part X ▶ $ ____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ____

b Assets included in Form 990, Part X ▶ $ ____

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other ____________

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV **Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V **Endowment Funds.** Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ▶ ________ %

b Permanent endowment ▶ ________ %

c Term endowment ▶ ________ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI **Investments - Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 12.)* ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 13.)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
DUE FROM AFFILIATES	178,652.
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 15.)* ▶	178,652.

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
Federal income taxes	
DUE TO AFFILIATES	81,418.
PAYROLL TAX LIABILITY	3,907.
VACATION ACCRUAL	13,371.
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶	98,696.

2. FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	987,021.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	967,803.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	19,218.
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	19,218.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	987,021.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	2d			
e	Add lines 2a through 2d			2e	
3	Subtract line 2e from line 1			3	987,021.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b			
c	Add lines 4a and 4b			4c	
5	Total revenue. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 12.)*			5	987,021.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	967,803.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV.)	2d			
e	Add lines 2a through 2d			2e	
3	Subtract line 2e from line 1			3	967,803.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b			
c	Add lines 4a and 4b			4c	
5	Total expenses. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 18.)*			5	967,803.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

Part XIV Supplemental Information *(continued)*

FIN 48 FOOTNOTE

SCHEDULE D, XIV

THE LEGAL CENTER IS EXEMPT FROM THE PAYMENT OF INCOME TAXES ON RELATED INCOME UNDER THE PROVISIONS OF SECTION 501(A) OF THE INTERNAL REVENUE CODE AS AN ENTITY DESCRIBED UNDER 501(C)(3). ACCORDINGLY, THERE IS NO PROVISION FOR INCOME TAX. THE LEGAL CENTER IS, HOWEVER, SUBJECT TO FEDERAL AND STATE INCOME TAX ON UNRELATED BUSINESS INCOME. THE LEGAL CENTER DID NOT HAVE ANY MATERIAL UNRELATED BUSINESS INCOME TAX LIABILITY FOR THE THE YEARS ENDED DECEMBER 31, 2009 AND 2008; NOR DID THE LEGAL CENTER HAVE ANY SIGNIFICANT UNCERTAIN TAX POSITIONS FOR THE TAX YEARS ENDED DECEMBER 31, 2009 AND 2008.

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶See separate Instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number: 62-1570449

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- [ ] First-class or charter travel
- [ ] Travel for companions
- [ ] Tax indemnification and gross-up payments
- [ ] Discretionary spending account
- [ ] Housing allowance or residence for personal use
- [ ] Payments for business use of personal residence
- [ ] Health or social club dues or initiation fees
- [ ] Personal services (e.g., maid, chauffeur, chef)

			Yes	No
b	If any of the boxes on line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2		

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- [ ] Compensation committee
- [X] Independent compensation consultant
- [X] Form 990 of other organizations
- [ ] Written employment contract
- [X] Compensation survey or study
- [X] Approval by the board or compensation committee

			Yes	No
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a	Receive a severance payment or change-of-control payment?	4a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a	The organization?	5a		X
b	Any related organization?	5b		X
	If "Yes" to line 5a or 5b, describe in Part III.			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a	The organization?	6a		X
b	Any related organization?	6b		X
	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		X
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
DONALD A DANNER	(i)	0.	0.	0.	0.	0.	0.	
	(ii)	484,691.	0.	379,595.	52,825.	20,627.	937,738.	
MARY BLASINSKY	(i)	0.	0.	0.	0.	0.	0.	
	(ii)	207,304.	0.	167,585.	44,293.	18,749.	437,931.	
TAMMY S BOEHMS	(i)	0.	0.	0.	0.	0.	0.	
	(ii)	269,594.	0.	118,211.	29,341.	13,268.	430,414.	
KAREN R HARNED	(i)	166,509.	0.	1,030.	8,391.	13,023.	188,953.	
	(ii)	0.	0.	0.	0.	0.	0.	
BETH MILITO	(i)	146,650.	0.	1,080.	6,854.	790.	155,374.	
	(ii)	0.	0.	0.	0.	0.	0.	

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN

SCHEDULE J, PART I, LINE 4B

NATIONAL FEDERATION OF INDEPENDENT BUSINESS PROVIDES THE FOLLOWING EXECUTIVES A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN:

MARY R. BLASINSKY ($161,367)

TAMMY S. BOEHMS ($115,703)

DONALD A. DANNER ($361,224)

SCHEDULE O (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number: 62-1570449

ATTACHMENT 1

VOLUNTEERS

FORM 990, PART I, LINE 6

IN 2009, THE NFIB SMALL BUSINESS LEGAL CENTER USED THE SERVICES OF TWENTY EIGHT VOLUNTEERS. THE LEGAL CENTER HAS A FOURTEEN MEMBER ADVISORY BOARD CONSISTING OF PRO BONO ATTORNEYS ADVISING THE LEGAL CENTER OF WHICH CASES TO GET INVOLVED IN HELPING SMALL BUSINESSES. THE LEGAL CENTER ALSO HAD FIVE PRO BONO ATTORNEYS WRITE LEGAL BRIEFS FOR THE CENTER. TWO ADDITIONAL ATTORNEYS ACTED IN PRESENTING WEBINARS TO NFIB MEMBERS REGARDING SMALL BUSINESS LEGAL ISSUES. FIVE COLLEGE STUDENTS FROM GEORGE MASON UNIVERSITY AND GEORGE WASHINGTON UNIVERSITY VOLUNTEERED THEIR TIME AS LAW CLERKS FOR THE LEGAL CENTER. TWO OTHER INDIVIDUALS PROVIDED SERVICES IN PUBLISHING THE NFIB SMALL BUSINESS LEGAL CENTER NEWSLETTERS.

SUMMARY OF LEGAL CASES FOR 2009

FORM 990, PART III, LINE 4A

ADAMS V. GOODYEAR TIRE & RUBBER CO. - ASBESTOS LITIGATION

OHIO SUPREME COURT

THE OHIO SUPREME COURT WILL DETERMINE WHETHER TAKE HOME ASBESTOS EXPOSURE CLAIMS ARE BARRED UNDER THE PREMISES LIABILITY SECTION OF OHIO'S ASBESTOS MEDICAL CRITERIA LAW AND ALSO FAIL UNDER A NEGLIGENCE THEORY BECAUSE NO DUTY IS OWED TO PERSONS EXPOSED OFF-SITE. THE INTERMEDIATE APPELLATE COURT RULED THAT THE STATUTE BARRED THE CLAIMS.

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number: 62-1570449

ATTACHMENT 1 (CONT'D)

STATUS: PENDING. AMICUS BRIEF FILED ON 09/21/09.

ADCOCK V. FREIGHTLINER - LABOR CHALLENGE

U.S. SUPREME COURT

THE FOURTH CIRCUIT'S DECISION TO EXEMPT CERTAIN EMPLOYER CONCESSIONS FROM THE NLRA'S PROHIBITION AGAINST EMPLOYER ASSISTANCE CREATES A MASSIVE HOLE IN THE STATUTE FOR THE THINGS THAT UNIONS VALUE MOST FROM EMPLOYERS. THIS LOOPHOLE ENDANGERS THE INTEGRITY OF COLLECTIVE BARGAINING, AS UNION OFFICIALS HAVE A STRONG INCENTIVE TO COMPROMISE EMPLOYEE INTERESTS AT THE BARGAINING TABLE AS A QUID PRO QUO FOR ORGANIZING ASSISTANCE FROM THEIR EMPLOYER.

STATUS: PENDING. AMICUS BRIEF FILED ON 05/28/09 IN SUPPORT OF CERT PETITION.

ALAMARAZ V. ENVIROSERVE - CALIFORNIA WORKERS' COMP REFORM

CALIFORNIA WORKERS' COMPENSATION APPEALS BOARD

THE APPEALS BOARD ISSUED AN EN BANC DECISION AFFECTING CALIFORNIA WORKERS' COMPENSATION DISABILITY RATINGS. THE DECISION HAS THROWN THE INDUSTRY INTO LEGAL DISARRAY WITH APPLICANT ATTORNEYS OPENING CLOSED CASES. THE WORKERS COMPENSATION INSURANCE RATING BUREAU FILED FOR AN

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number: 62-1570449

ATTACHMENT 1 (CONT'D)

EXTRA 5.8 PERCENT RATE INCREASE ATTRIBUTING IT TO "CONSERVATIVE" ESTIMATES OF WHAT THE DECISION WOULD COST CALIFORNIA EMPLOYERS. THE APPEALS BOARD GRANTED A PETITION TO RECONSIDER. NFIB FILED AN AMICUS BRIEF ASKING THE BOARD TO REVERSE ITS DECISION ON THE DISABILITY RATINGS.

STATUS: DECIDED. AMICUS BRIEF FILED 04/28/09. BOARD RULED IN FAVOR OF CLAIMANT 9/3/09.

BEST WESTERN ENCINA LODGE V. D'LIL - ABUSIVE ADA TITLE III LITIGATION

U.S. SUPREME COURT

THIS CASE INVOLVES A QUESTION OF STANDING. THE PLAINTIFF ALLEGED THAT THE ENCINA LODGE VIOLATED THE ADA'S PUBLIC ACCOMMODATION PROVISIONS. WHEN D'LIL FILED A MOTION FOR ATTORNEYS' FEES, THE DISTRICT COURT, SUA SPONTE, RAISED THE QUESTION WHETHER D'LIL - A SERIAL ADA PLAINTIFF - HAD STANDING TO SUE IN THE FIRST PLACE. THE NINTH CIRCUIT REVERSED THE DISTRICT COURT FINDING THAT D'LIL DID NOT HAVE STANDING.

STATUS: DECIDED. AMICUS BRIEF FILED ON MARCH 6, 2009 IN SUPPORT OF BEST WESTERN'S REQUEST THAT THE SUPREME COURT REVIEW THE NINTH CIRCUIT'S DECISION. COURT DENIED REVIEW ON JUNE 22, 2009.

BEVERLY ENTERPRISES V. KEATON - DEFENDING FLEXIBLE CAPS ON PUNITIVE

DAMAGES

ARKANSAS SUPREME COURT

NFIB FILED AN AMICUS BRIEF IN SUPPORT OF THE ARKANSAS LEGISLATURE'S DECISION TO REIN IN EXCESSIVE PUNITIVE DAMAGES BY SETTING A FLEXIBLE CAP ON SUCH AWARDS. NFIB ARGUED THAT THIS LEGISLATION DOES NOT INFRINGE ON THE JUDICIARY'S CONSTITUTIONAL POWERS OR JURISDICTION, AS TRIAL COURTS CAN STILL REMIT OTHER TYPES OF DAMAGES WITHIN THE CONFINES OF THE STATUTE. LIKEWISE, THE NEW LIMITS FALL OUTSIDE OF EARLIER ARKANSAS STATUTES' PROHIBITION OF LIMITS ON COMPENSATORY DAMAGES.

STATUS: DECIDED. AMICUS BRIEF FILED ON 10/20/08. CASES DISMISSED 9/24/09.

BRINKER V. SUPERIOR COURT - EXPANSION OF MANDATORY MEAL AND REST BREAK

CALIFORNIA SUPREME COURT

VOIDING A TRIAL COURT'S 2006 DECISION THAT AN ESTIMATED 59,000 TO 63,000 CURRENT AND FORMER EMPLOYEES COULD JOIN A LAWSUIT AGAINST THE DALLAS-BASED COMPANY, THE CALIFORNIA 4TH DISTRICT COURT OF APPEAL RULED THAT EMPLOYER BRINKER ONLY HAD TO "MAKE AVAILABLE" MEAL AND REST BREAKS TO ITS WORKERS, NOT TO "ENSURE" THE BREAKS WERE TAKEN. THE APPELLATE COURT RULED THAT EMPLOYERS NEED ONLY MAKE MEAL BREAKS AVAILABLE TO

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number: 62-1570449

ATTACHMENT 1 (CONT'D)

EMPLOYEES; IF THE EMPLOYEE FOR SOME REASON DOESN'T WANT TO TAKE IT OR VOLUNTARILY WORKS THROUGH IT, THE EMPLOYER CANNOT BE PENALIZED. THE EMPLOYEES HAVE APPEALED THE DECISION TO THE STATE SUPREME COURT.

STATUS: PENDING. AMICUS BRIEF FILED ON 8/19/09.

BROWN V. OWEN - FIGHTING UNLAWFUL TAX INCREASES

WASHINGTON SUPREME COURT VICTORY!

NFIB JOINED IN AN EFFORT TO HAVE THE WASHINGTON SUPREME COURT UPHOLD STATE INITIATIVE 601, WHICH REQUIRES A SUPER MAJORITY VOTE IN BOTH CHAMBERS OF THE STATE LEGISLATURE IN ORDER FOR THE STATE TO PASS A TAX INCREASE.

STATUS: DECIDED. AMICUS BRIEF FILED AUGUST 8, 2008. ORAL ARGUMENT SET FOR SEPTEMBER 9, 2008. ON MARCH 5, 2009, COURT UPHELD WASHINGTON'S TWO-THIRDS REQUIREMENT.

BUSINESS FOR A BETTER NY V. NY DEPT. OF LABOR - URGING REPEAL OF STRICT LIABILITY

U.S. COURT OF APPEALS FOR THE SECOND CIRCUIT

PLAINTIFFS HAVE CHALLENGED NEW YORK'S INFAMOUS LABOR LAW 240-241, A.K.A. "LADDER LAW" OR "SCAFFOLD LAW", WHICH PROVIDES THAT CONTRACTORS ASSUME

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER
Employer identification number: 62-1570449

ATTACHMENT 1 (CONT'D)

TOTAL LIABILITY FOR EMPLOYEE INJURIES REGARDLESS OF FAULT OR WORK CONDITIONS. NEW YORK IS THE ONLY STATE THAT STILL HAS SUCH A LAW ON THE BOOKS; MOST OTHERS HAVE A "COMPARATIVE NEGLIGENCE" STATUTE, WHICH PARTITIONS LAWSUITS ACCORDING TO BLAME. A BUSINESS ALLIANCE HAS CHALLENGED THE LAW ON CONSTITUTIONAL GROUNDS AND ALSO ARGUED THAT FEDERAL OSHA PREEMPTS.

STATUS: PENDING. BRIEF IN SUPPORT OF BBNY FILED ON 07/31/07. DISTRICT COURT DISMISSED CHALLENGE AND APPEAL FILED IN THE U.S. COURT OF APPEALS FOR THE SECOND CIRCUIT. BRIEF IN SUPPORT OF BBNY FILED WITH APPELLATE COURT ON 12/21/07. ORAL ARGUMENTS HEARD IN U.S. COURT OF APPEALS FOR THE SECOND CIRCUIT ON MAY 21, 2009.

CARO V. BLAGOJEVICH - FIGHTING UNAUTHORIZED EXPANSION OF HEALTH CARE
APPELLATE COURT OF ILLINOIS

AFTER GOVERNOR BLAGOJEVICH FAILED TO GET LEGISLATIVE APPROVAL FOR EXPANDED HEALTH CARE PROGRAMS, HE USED HIS LINE ITEM VETO POWER TO STRIKE APPROXIMATELY $463 MILLION IN EXPENDITURES THE LEGISLATURE APPROVED IN THE 2008 BUDGET. HE THEN ANNOUNCED HE WOULD, THROUGH "EXECUTIVE AUTHORITY", USE THE $463 MILLION TO FUND THE PROGRAMS HE WANTED BUT WHICH THE LEGISLATURE DID NOT APPROVE. THE GOVERNOR ALSO ATTEMPTED TO IMPLEMENT PARTS OF HIS PLAN THROUGH WHAT IS CALLED THE "RULES" PROCESS IN ILLINOIS. HE PUT FORTH RULES ALLOWING HIS DEPT. OF HEALTHCARE AND FAMILY SERVICES TO START SIGNING UP FAMILIES FOR THE EXPANDED FAMILYCARE PROGRAM. THESE RULES WENT THROUGH THE JOINT COMMITTEE ON ADMINISTRATIVE

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number: 62-1570449

ATTACHMENT 1 (CONT'D)

RULES, A BIPARTISAN GROUP OF LAWMAKERS WHOSE ROLE IS TO ENSURE AGENCIES DO NOT OVERSTEP THEIR AUTHORITY. JCAR REJECTED THE GOVERNOR'S ATTEMPTS TO EXPAND FAMILYCARE DUE TO A LACK OF LEGISLATIVE AUTHORITY. NFIB IS GRAVELY CONCERNED THAT, IF ALLOWED TO GO FORWARD, A GOVERNOR WHO HAS FAILED TO PASS HIS OR HER INITIATIVES IN THE GENERAL ASSEMBLY WILL SIMPLY ADOPT "RULES" AND LEGISLATE FROM THE EXECUTIVE OFFICE.

STATUS: VICTORY! ON 09/28/08, THE COURT UPHELD THE PRELIMINARY INJUNCTION. ULTIMATELY THE STATE SETTLED ADDITIONAL CLAIMS WITH THE PLAINTIFFS.

CLEAR CHANNEL V. DALLAS COUNTY - PROPERTY RIGHTS DEFENDED

TEXAS SUPREME COURT

NFIB IS ASKING THE TEXAS SUPREME COURT TO DETERMINE WHETHER THE TEXAS CONSTITUTION'S TAKINGS CLAUSE ALLOWS A GOVERNMENT ENTITY TO NEGOTIATE A DIRECT PURCHASE OF PRIVATE PROPERTY FROM ONE OF SEVERAL PROPERTY OWNERS AND THEN CLAIM THAT, BECAUSE OF THE PURCHASE, THE GOVERNMENT ENTITY IS NOW A PRIVATE PARTY NOT REQUIRED TO COMPENSATE OWNERS OF REMAINING INTERESTS. LETTING THIS RULING STAND WILL ALSO HAVE PARTICULARLY DETRIMENTAL EFFECTS ON SMALL BUSINESSES.

STATUS: PENDING. AMICUS BRIEF FILED 04/27/09.

SUMMARY OF LEGAL CASES FOR 2009 (CONT.)

CRISTLER V. EXPRESS MESSENGER SYSTEMS, INC. - INDEPENDENT CONTRACTOR

STATUS

CALIFORNIA COURT OF APPEAL, 4TH DISTRICT

NFIB SENT A LETTER REQUESTING PUBLICATION OF A DECISION BY THE CALIFORNIA COURT OF APPEAL. THE DECISION CLARIFIED THE DISTINCTION CALIFORNIA LAW MAKES BETWEEN EMPLOYEES AND INDEPENDENT CONTRACTORS. THE DECISION ALSO DESCRIBED THE BURDEN OF PROOF NECESSARY TO SHOW INDEPENDENT CONTRACTOR STATUS AS WELL AS THE ROLE OF THE JURY IN SUCH CASES. PUBLISHING THE DECISION WOULD PROVIDE BUSINESSES WITH CLEAR PRECEDENT ON WHICH TO RELY.

STATUS: DECIDED. LETTER REQUESTING PUBLICATION IN THE OFFICIAL REPORTS SENT 02/10/09. OPINION CERTIFIED FOR PUBLICATION 02/11/09.

CSX V. HENSLEY TRANSPORTATION, INC. - LEGAL REFORM - ASBESTOS LITIGATION
U.S. SUPREME COURT VICTORY!

NFIB URGED THE U.S. SUPREME COURT TO REVIEW (AND ULTIMATELY OVERTURN) A TENNESSEE COURT DECISION THAT UPHELD A $5,000,000 JUDGMENT FOR A RETIRED RAILROAD WORKER WHO FEARS THAT HIS PAST EXPOSURE TO ASBESTOS MAY CAUSE HIM TO DEVELOP CANCER IN THE FUTURE.

EMOTIONAL DISTRESS DAMAGES BASED ON A FEAR OF DEVELOPING CANCER SHOULD ONLY BE AVAILABLE IN CASES IN WHICH THE ALLEGED FEAR IS DEMONSTRATED TO BE "GENUINE AND SERIOUS." NO LIMITATION WAS IMPOSED IN THIS CASE;

INSTEAD, THE JURY WAS GRANTED UNLIMITED DISCRETION TO AWARD THE PLAINTIFF ANY DAMAGES IT DEEMED APPROPRIATE FOR THE EMOTIONAL DISTRESS THE PLAINTIFF CLAIMED TO HAVE ENDURED.

STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF DAMAGE LIMITATION ON MARCH 16, 2009. ON JUNE 1, 2009, THE COURT APPROVED OF THE "GENUINE AND SERIOUS" FEAR OF CANCER JURY INSTRUCTION LIMITATION IN ASBESTOS CASES.

DOJI, INC. D/B/A DEMOS STEAKHOUSE V. TENNESSEE - UNEMPLOYMENT INSURANCE

TENNESSEE COURT OF APPEALS

THE LEGAL CENTER WEIGHED IN BEFORE THE TENNESSEE COURT OF APPEALS IN AN UNEMPLOYMENT COMPENSATION DISPUTE INVOLVING AN NFIB MEMBER. THE ISSUE CONCERNS WHETHER AN EMPLOYER DISPUTING AN UNEMPLOYMENT (UI) CLAIM NEEDS TO PRESENT LIVE TESTIMONY FROM CUSTOMERS AND CO-WORKERS TO PROVE THAT A TERMINATION WAS BASED ON MISCONDUCT. PREVIOUSLY, DOCUMENTS LIKE CUSTOMER COMPLAINT CARDS AND EMPLOYEE PERSONNEL RECORDS WERE ADMITTED WITHOUT TESTIMONY. UI HEARINGS ARE GENERALLY VERY INFORMAL, SO REQUIRING EMPLOYERS TO SUBPOENA AND MARCH IN WITNESSES WILL GREATLY INCREASE THE TIME AND MONEY REQUIRED TO FIGHT MERITLESS UI CLAIMS.

STATUS: DECIDED. AMICUS BRIEF FILED ON 8/4/09. COURT RULED EMPLOYEE'S ACTIONS DID NOT AMOUNT TO MISCONDUCT AND AWARDED UI BENEFITS.

EMERALD STEEL FABRICATORS V. BLI - DRUG FREE WORKPLACE DEFENDED

OREGON SUPREME COURT

THE OREGON COURT IS BEING ASKED TO DETERMINE WHETHER AN EMPLOYER SHOULD BE HELD LIABLE FOR AN UNLAWFUL EMPLOYMENT PRACTICE WHEN THE EMPLOYER CHOSE NOT TO HIRE A TEMPORARY WORKER AS A FULL-TIME EMPLOYEE AFTER THE WORKER DISCLOSED THAT HE WOULD NOT BE ABLE TO PASS A DRUG TEST BECAUSE HE USES MEDICAL MARIJUANA TO TREAT HIS ANXIETY, NAUSEA AND VOMITING PURSUANT TO THE OREGON MEDICAL MARIJUANA ACT. LOWER COURTS HELD IN FAVOR OF THE WORKER AND FOUND THE EMPLOYER LIABLE FOR DISCHARGING THE TEMPORARY WORKER BECAUSE OF A DISABILITY AND FAILING TO REASONABLY ACCOMMODATE A DISABILITY.

STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF EMPLOYER ON 01/07/09.

GOLDEN GATE RESTAURANT ASSOC. V. SAN FRANCISCO - HEALTH CARE

U.S. SUPREME COURT

NFIB ASKED THE U.S. SUPREME COURT TO OVERTURN A NINTH CIRCUIT DECISION THAT UPHELD SAN FRANCISCO'S WORKER HEALTHCARE SECURITY ORDINANCE. THIS ORDINANCE, PASSED BY THE CITY COUNCIL IN JULY OF 2006, REQUIRES EMPLOYERS TO PROVIDE HEALTH INSURANCE FOR THEIR EMPLOYEES OR PAY A FINE TO THE CITY.

STATUS: PENDING. AMICUS BRIEF FILED ON 07/08/09 IN SUPPORT OF GGRA'S CHALLENGE.

GRAFNER V. ILL. DEPT. OF EMPLOYMENT SECURITY - MANDATED USE OF ATTORNEY REPS

ILL. 1ST DISTRICT APPELLATE COURT VICTORY!

NFIB URGED THE APPELLATE COURT TO FIND THAT IT IS PERMISSIBLE FOR EMPLOYERS TO BE REPRESENTED BY NON-ATTORNEYS IN ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY HEARINGS ON UNEMPLOYMENT COMPENSATION CLAIMS. THE PRECEDENT OF ALLOWING NON-LAWYERS TO REPRESENT EMPLOYERS IN UNEMPLOYMENT COMPENSATION CLAIMS IS BEING CHALLENGED AS A VIOLATION OF THE COURT'S RULE THAT ONLY LAWYERS MAY PARTICIPATE IN THE PRACTICE OF LAW.

STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF NON-ATTORNEY REPRESENTATION ON MARCH 27, 2009. ORAL ARGUMENT SCHEDULED FOR JUNE 6, 2009. COURT DETERMINED NON-ATTORNEY'S ACTIONS DURING UI HEARING IS NOT UNAUTHORIZED PRACTICE OF LAW.

GROSS V. FBL FINANCIAL SERVICES, INC. - AGE DISCRIMINATION

U.S. SUPREME COURT VICTORY!

THIS CASE CONCERNS WHETHER A PLAINTIFF BRINGING AN ADEA DISCRIMINATION SUIT MUST PRESENT DIRECT EVIDENCE OF DISCRIMINATION IN ORDER TO OBTAIN A

MIXED-MOTIVE JURY INSTRUCTION. A MIXED-MOTIVE JURY INSTRUCTION SHIFTS THE BURDEN OF PERSUASION FROM THE PLAINTIFF TO THE DEFENDANT. THUS, IF THE SUPREME COURT HOLDS IN FAVOR OF THE PETITIONER, EMPLOYERS WILL BE IN A MUCH WEAKER POSITION IN DEFENDING DISCRIMINATION SUITS.

STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF EMPLOYER FBL ON 03/05/09. ORAL ARGUMENT HEARD 03/31/09.

HANNA V. STATE OF GEORGIA - TAXATION OF S-CORPORATIONS

GEORGIA SUPREME COURT

THIS CASE CONCERNS THE TAX TREATMENT OF FEDERAL S-CORPORATIONS, WHICH ARE NOT RECOGNIZED AS S-CORPORATIONS FOR STATE PURPOSES. THE GEORGIA COURT OF APPEALS ONLY ALLOWED THE TAXPAYER TO SUBTRACT A SMALL PERCENTAGE OF THE TOTAL PASS-THROUGH INCOME FROM HIS ADJUSTED GROSS INCOME ON HIS STATE TAX RETURN. THIS CREATED A DOUBLE STANDARD FOR THESE S-CORPORATIONS AND EXPOSED THEIR SHAREHOLDERS TO A RISK OF DUPLICATIVE TAXATION. NFIB SUBMITTED A BRIEF TO THE STATE SUPREME COURT REQUESTING THAT THE COURT REVIEW AND OVERTURN THE COURT OF APPEALS DECISION.

STATUS: DECIDED. NFIB AMICUS BRIEF FILED IN SUPPORT OF PETITION FOR REVIEW ON 05/08/09. REVIEW WAS DENIED 09/28/09.

JAMISON V. TEXACO MINI-MART - NFIB OPPOSES EXPANSION OF LIABILITY FOR

CONTRACTORS VICTORY!

SOUTH CAROLINA SUPREME COURT

AT ISSUE IS WHETHER A REFINER (IN THIS CASE TEXACO) AND A DISTRIBUTOR/JOBBER (ANDERSON OIL) CAN BE HELD LIABLE FOR THE ALLEGEDLY NEGLIGENT CONDUCT OF AN INDEPENDENTLY OWNED AND OPERATED MINI MART RETAILER. THE TRIAL COURT HELD THAT TEXACO AND ANDERSON OIL WERE LIABLE FOR THE ACTIONS OF MORRIS MINI MART ON A THEORY OF ACTUAL AGENCY. NFIB ARGUED THAT REFINERS SHOULD NOT BE LIABLE FOR THE CONDUCT OF AN INDEPENDENTLY OWNED RETAIL OUTLET. THE SUPPLIERS OF FUELS DO NOT CONTROL RETAILERS' OPERATIONS ANY MORE THAN THE SUPPLIERS OF SNACKS OR SOFT DRINKS CONTROL SUCH OPERATIONS.

STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF TEXACO ON 12/7/07. ON 9/21/09 THE SOUTH CAROLINA SUPREME COURT REVERSED A $30 MILLION VERDICT AGAINST THE FRANCHISOR (TEXACO), A GASOLINE WHOLESALER (ANDERSON OIL), AND THE INDEPENDENTLY-OWNED MINI-MART (JAMISON).

KLOTZ V. ST. ANTHONY'S MEDICAL CENTER - MALPRACTICE AND LEGAL REFORM

MISSOURI SUPREME COURT

A JURY AWARDED $2.58 MILLION, INCLUDING $1 MILLION IN NON-ECONOMIC DAMAGES, IN A MEDICAL MALPRACTICE ACTION AGAINST A PRESIDING PHYSICIAN

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

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ATTACHMENT 1 (CONT'D)

AND HOSPITAL FOR PLAINTIFFS CONTRACTION OF A STAPH INFECTION WHICH RESULTED IN MULTIPLE AMPUTATIONS. THE CIRCUIT COURT INITIALLY RULED THAT THE 2005 STATUTE, WHICH PLACED A NEW NON-ECONOMIC DAMAGES CAP AT $350,000 FOR MEDICAL MALPRACTICE ACTIONS, WAS CONSTITUTIONAL AND APPLIED TO THOSE DEFENDANTS WHO WERE INCLUDED IN THE CAUSE OF ACTION AFTER THE LAW TOOK EFFECT. THE CASE WAS APPEALED TO THE EASTERN DISTRICT COURT OF APPEALS, WHICH TRANSFERRED IT TO THE MISSOURI SUPREME COURT TO DETERMINE THE CONSTITUTIONALITY OF THE CAP.

STATUS: PENDING. AMICUS BRIEF FILED 11/4/09.

SUMMARY OF LEGAL CASES FOR 2009 (CONT.)

LEDBETTER V. GOODYEAR TIRE AND RUBBER AND COMPANY. - FIGHTING EXPANSION OF TITLE VII PAY DISCRIMINATION CLAIMS VICTORY!

U.S. SUPREME COURT

IN LEDBETTER, THE U.S. SUPREME COURT IS EXPECTED TO DECIDE HOW FAR BACK A PLAINTIFF CAN REACH WHEN SEEKING DAMAGES IN A DISPARATE PAY CLAIM UNDER TITLE VII OF THE 1964 CIVIL RIGHTS ACT. AT TRIAL, LEDBETTER PERSUADED THE COURT TO ALLOW INTO EVIDENCE ALL OF HER PAY REVIEWS SINCE HER HIRE IN 1979. AT ISSUE IS WHETHER THE STATUTE OF LIMITATIONS FOR THESE CLAIMS SHOULD BEGIN WHEN THE ALLEGED DISCRIMINATION OCCURS, OR INSTEAD SHOULD BEGIN WHEN THE CLAIMANT REALIZES THE CONSEQUENCES OF THE ALLEGED DISCRIMINATION. ON BEHALF OF THEIR MEMBERS, THE NATIONAL FEDERATION OF INDEPENDENT BUSINESS SMALL BUSINESS LEGAL CENTER URGED THE COURT TO UPHOLD THAT THE STATUTE OF LIMITATIONS BEGINS TO RUN WHEN THE ALLEGED

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

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ATTACHMENT 1 (CONT'D)

DISCRIMINATION OCCURS. NFIB ARGUED THAT THE ALTERNATIVE WOULD EFFECTIVELY ELIMINATE ANY MEANINGFUL PERIOD OF LIMITATIONS BY ALLOWING AN EMPLOYEE TO WAIT YEARS OR EVEN DECADES TO CHALLENGE AN ALLEGED ACT OF DISCRIMINATION.

STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF GOODYEAR ON 10/23/06. ORAL ARGUMENT HELD 11/27/06. SUPREME COURT UPHELD STATUTE OF LIMITATIONS ON 05/29/07. CASE SUPER SUPERSEDED BY LEDBETTER FAIR PAY ACT OF 2009.

LEMANS CORP. V. PROVENZA - LEGAL REFORM - OBJECTIVE STANDARD OF EVIDENCE

NEVADA SUPREME COURT

PLAINTIFF WAS BURNED DURING A MOTOCROSS BIKE ACCIDENT, AND SUED LEMANS, THE MANUFACTURER OF HIS MOTOCROSS CLOTHING, BECAUSE THE CLOTHING WAS NOT FLAME-RETARDANT. THE TRIAL JUDGE ALLOWED PLAINTIFF TO TESTIFY ABOUT PLAINTIFF'S OWN SUBJECTIVE EXPECTATION OF SAFETY AS OPPOSED TO THE ORDINARY OBJECTIVE EXPECTATION OF A REASONABLE CONSUMER. (NOTABLY - THE DEFENDANT MANUFACTURER CONTENDS THAT THE CLOTHING WAS NOT ADVERTISED AS FIRE-RETARDANT).

STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF LEMANS ON 04/27/09.

LOCKSHIN V. SEMSKER - UPHOLDING MARYLAND'S DAMAGES CAP

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number: 62-1570449

ATTACHMENT 1 (CONT'D)

COURT OF APPEALS

THIS CASE CONCERNS THE DEATH OF 47-YEAR-OLD ATTORNEY RICHARD SEMSKER WHO DIED FROM MALIGNANT MELANOMA. THE FAMILY OF SEMSKER FILED A MALPRACTICE CLAIM AGAINST SEMSKER'S DERMATOLOGIST FOR FAILURE TO DIAGNOSE CANCER, AND A JURY AWARDED $3 MILLION IN NON-ECONOMIC DAMAGES. FOLLOWING TRIAL, THE TRIAL JUDGE FOUND THAT THE NON-ECONOMIC DAMAGES CAP DID NOT APPLY TO THIS CASE BECAUSE THE PARTIES HAD NOT GONE THROUGH PRE-SUIT ARBITRATION.

STATUS: PENDING. AMICUS BRIEF FILED 8/26/09.

METROPOLITAN MILWAUKEE ASSOCIATION OF COMMERCE V. CITY OF MILWAUKEE -MANDATED SICK LEAVE

CIRCUIT COURT FOR MILWAUKEE COUNTY

ON NOVEMBER 4, 2008, MILWAUKEE BECAME THE THIRD CITY IN THE UNITED STATES, AFTER SAN FRANCISCO AND THE DISTRICT OF COLUMBIA, TO REQUIRE THAT ALL CITY BUSINESSES PROVIDE THEIR EMPLOYEES WITH PAID SICK LEAVE THROUGH THE PASSAGE OF A BINDING REFERENDUM.

THE BINDING REFERENDUM PROVIDES THAT ALL PRIVATE SECTOR EMPLOYEES EMPLOYED WITHIN THE CITY WILL ACCRUE NINE PAID SICK DAYS PER YEAR. NFIB ARGUED THAT THE MEASURE INTERFERES WITH EMPLOYERS' RIGHTS TO NEGOTIATE MUTUALLY BENEFICIAL LABOR AGREEMENTS WITH THEIR EMPLOYEES AND IS AN ILLEGAL EXTENSION OF THE MILWAUKEE'S AUTHORITY INTO AREAS OF LAW RESERVED TO THE STATE.

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ATTACHMENT 1 (CONT'D)

STATUS: PENDING. AMICUS BRIEF FILED 01/28/09.

MUNSON V. DEL TACO - PROTECTING SMALL BIZ FROM UNSCRUPULOUS ADA LAWSUITS

CALIFORNIA SUPREME COURT

NFIB IS URGING THE 9TH CIRCUIT COURT OF APPEALS TO FIND THAT DISCRIMINATORY INTENT IS REQUIRED IN ORDER FOR DEFENDANTS TO BE LIABLE FOR MONETARY DAMAGES FOR VIOLATIONS UNDER CALIFORNIA'S UNRUH CIVIL RIGHTS ACT, WHICH INCORPORATES INTO THE STATE LAW THE AMERICANS WITH DISABILITY ACT (ADA).

STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF DEL TACO ON 12/11/08. ORAL ARGUMENT SET FOR MAY 6, 2009. ON JUNE 11, 2009, THE CALIFORNIA SUPREME COURT ANSWERED A CERTIFIED QUESTION FROM THE 9TH CIRCUIT: UNDER THE UNRUH CIVIL RIGHTS ACT, DEFENDANTS CAN BE LIABLE FOR MONETARY DAMAGES FOR UNINTENTIONAL DISCRIMINATION THROUGH ADA VIOLATIONS.

OGILIVIE V. SAN FRANCISCO -WORKERS' COMP REFORM IN CALIFORNIA

CALIFORNIA WORKERS' COMPENSATION APPEALS BOARD

THE APPEALS BOARD ISSUED AN EN BANC DECISION AFFECTING CALIFORNIA WORKERS' COMPENSATION DISABILITY RATINGS. THE DECISION HAS THROWN THE INDUSTRY INTO LEGAL DISARRAY WITH APPLICANT ATTORNEYS OPENING CLOSED

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

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ATTACHMENT 1 (CONT'D)

CASES. THE WORKERS COMPENSATION INSURANCE RATING BUREAU FILED FOR AN EXTRA 5.8 PERCENT RATE INCREASE ATTRIBUTING IT TO "CONSERVATIVE" ESTIMATES OF WHAT THE DECISION WOULD COST CALIFORNIA EMPLOYERS. THE APPEALS BOARD GRANTED A PETITION TO RECONSIDER. NFIB FILED AN AMICUS BRIEF ASKING THE BOARD TO REVERSE ITS DECISION ON THE DISABILITY RATINGS.

STATUS: DECIDED. AMICUS BRIEF FILED 04/28/09. BOARD RULED IN FAVOR OF CLAIMANT 9/3/09.

OHIO CIVIL RIGHTS COMM'N V. NURSING CARE MANAGEMENT - MATERNITY LEAVE

OHIO SUPREME COURT

TIFFANY MCFEE'S EMPLOYMENT WAS TERMINATED BY NURSING CARE MANAGEMENT OF AMERICA, D/B/A PATASKALA OAKS, WHEN SHE PRESENTED HER EMPLOYER A PHYSICIAN'S NOTE STATING THAT SHE WAS UNABLE TO WORK DUE TO A PREGNANCY-RELATED MEDICAL CONDITION. BECAUSE SHE HAD BEEN EMPLOYED BY THE COMPANY FOR LESS THAN ONE YEAR (EIGHT MONTHS), MCFEE DID NOT QUALIFY FOR LEAVE UNDER THE COMPANY'S LEAVE POLICY. THE FIFTH APPELLATE DISTRICT FOUND THAT MCFEE HAD PRESENTED DIRECT EVIDENCE OF PREGNANCY DISCRIMINATION AND UPHELD THE COMMISSION'S DECISION.

STATUS: PENDING. AMICUS BRIEF FILED 09/25/09.

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

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ATTACHMENT 1 (CONT'D)

O'NEIL V. CRANE - ASBESTOS REFORM

CALIFORNIA SUPREME COURT

THE ISSUE OF WHETHER A DEFENDANT SUCH AS A PUMP AND VALVE MAKER CAN BE HELD LIABLE FOR ASBESTOS PRODUCTS MADE BY ANOTHER COMPANY AND AFFIXED POST-SALE SUCH AS BY THE NAVY IS FREQUENTLY LITIGATED. THE FIRST DISTRICT APPELLATE COURT CHOSE TO FOLLOW WASHINGTON STATE, HOLDING THAT MANUFACTURERS ARE RESPONSIBLE ONLY FOR THEIR OWN PRODUCTS. THE PLAINTIFFS HAVE APPEALED.

STATUS: PENDING. AMICUS LETTER BRIEF FILED 11/12/09.

PANAG V. CREDIT CONTROL SERVICES, INC. - EXPANSION OF CONSUMER PROTECTION ACT WASHINGTON SUPREME COURT

THIS CASE CONCERNS WHETHER THE WASHINGTON CONSUMER PROTECTION ACT (CPA) APPLIES TO A COLLECTION AGENCY'S ATTEMPTS TO COLLECT ON AN INSURANCE COMPANY'S SUBROGATION CLAIM AGAINST UNINSURED MOTORISTS. THE SUPREME COURT OF WASHINGTON REJECTED CCS'S ARGUMENT THAT THE CPA APPLIES ONLY TO CONSUMER-ORIENTED RELATIONSHIPS. AS A RESULT OF THIS DECISION, NEARLY ANY BUSINESS MAY BE SUBJECT TO THE CPA FOR ANY DISPUTE IT MAY ENTER INTO, REGARDLESS OF WHETHER THAT DISPUTE INVOLVES A CUSTOMER, A CONTRACT, OR ANY OTHER BUSINESS-LIKE RELATIONSHIP. NFIB FILED AN AMICUS BRIEF IN SUPPORT OF A MOTION FOR RECONSIDERATION.

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

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ATTACHMENT 1 (CONT'D)

STATUS: PENDING. AMICUS BRIEF FILED 04/29/09.

PLENCO V. LIBERTY MUTUAL INSURANCE CO. - CHALLENGING INSURER'S LIMITS ON ASBESTOS COVERAGE

WISCONSIN SUPREME COURT

THE WISCONSIN SUPREME COURT WILL DECIDE WHAT TYPES OF RESTRICTIONS AN INSURANCE COMPANY CAN PLACE ON ITS DUTY TO DEFEND AND INDEMNIFY AN INSURED IN ASBESTOS LITIGATION. PLENCO, A FAMILY-OWNED PLASTICS COMPANY LOCATED IN SHEBOYGAN, WI, HAS BEEN NAMED AS A DEFENDANT IN HUNDREDS OF ASBESTOS LAWSUITS OVER THE LAST 20 YEARS FOR ALLEGED EXPOSURE TO PLENCO PRODUCTS THAT OCCURRED BETWEEN 1950 AND 1983. FROM 1968 THROUGH 1989, PLENCO WAS INSURED (GENERAL LIABILITY AND UMBRELLA) WITH LIBERTY MUTUAL. UNTIL 2004, LIBERTY MUTUAL DUTIFULLY RESPONDED TO ALL LAWSUITS FILED AGAINST PLENCO. IN 2004, LIBERTY MUTUAL INSTITUTED A NEW COVERAGE POLICY THAT DRASTICALLY REDUCED PLENCO'S COVERAGE FROM OVER $70 MILLION (THE ENTIRE INSURED PERIOD) TO ABOUT $10 MILLION. PLENCO CHALLENGED LIBERTY MUTUAL'S NEW POLICY IN FEDERAL COURT.

STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF PLENCO ON 06/24/08. ON JANUARY 29, 2009, THE WISCONSIN SUPREME COURT DECIDED A CERTIFIED QUESTION FROM THE U.S. COURT OF APPEALS FOR THE SEVENTH CIRCUIT. THE WISCONSIN SUPREME COURT HELD THAT EACH CLAIMANT'S EXPOSURE WAS ONE

ATTACHMENT 1 (CONT'D)

OCCURRENCE, WISC. STAT. § 631.43(1) DOES NOT APPLY TO SUCCESSIVE INSURANCE POLICIES, AND LIBERTY MUTUAL MUST DEFEND AND PAY UP TO THE POLICY LIMITS.

SUMMARY OF LEGAL CASES FOR 2009 (CONT.)

POLAR TANKERS, INC. V. CITY OF VALDEZ - INTERSTATE TAXATION

U.S. SUPREME COURT VICTORY!

IN THIS CASE, THE SUPREME COURT HAS BEEN ASKED TO DECIDE WHETHER A TAX ON LARGE VESSELS IS BARRED BY THE U.S. CONSTITUTION WHEN THE APPORTIONMENT FORMULA TO CALCULATE THE TAX IMPLICITLY INCLUDES TIME THE VESSEL SPENDS ON THE HIGH SEAS OR OTHERWISE OUT OF THE LOCAL GOVERNMENT'S JURISDICTION. THE DUE PROCESS AND COMMERCE CLAUSES BOTH PROHIBIT TAXES THAT CAUSE A RISK OF DUPLICATIVE TAXATION.

STATUS: DECIDED. AMICUS BRIEF FILED IN SUPPORT OF POLAR TANKERS ON 02/02/09. ORAL ARGUMENT HEARD 04/01/09. COURT DETERMINED TAX VIOLATED TONNAGE CLAUSE.

PRICELINE V. CITY OF ANAHEIM - PRIVATE ATTORNEY GENERAL REFORM

CALIFORNIA SUPREME COURT

MANY ONLINE TRAVEL SERVICES FORM PARTNERSHIPS WITH HOTELS SO THAT CONSUMERS CAN BUY BOTH DISCOUNTED PLANE TICKETS AND MAKE HOTEL RESERVATIONS IN A SINGLE TRANSACTION. BECAUSE THE ONLINE TRAVEL SERVICES BRING IN CUSTOMERS THAT THE HOTEL CHAINS MIGHT NOT ATTRACT, THE ONLINE

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ATTACHMENT 1 (CONT'D)

TRAVEL SERVICES COMMONLY CHARGE THE HOTEL A SERVICE FEE. SOME PLAINTIFFS' ATTORNEYS APPROACHED THE CALIFORNIA STATE GOVERNMENTS AND NOTED THAT CALIFORNIA COULD TRY TO COLLECT HOTEL AND OCCUPANCY TAXES ON THE SERVICE FEES. THE PLAINTIFFS' ATTORNEYS VOLUNTEERED TO SUE THE ONLINE COMPANIES IN EXCHANGE FOR A PERCENTAGE OF THE RECOVERED TAX. STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF PRICELINE ON JUNE 24, 2009.

SANTA CLARA LEAD PAINT LITIGATION - PUBLIC NUISANCE LEGAL REFORM

CALIFORNIA SUPREME COURT

IN COUNTY OF SANTA CLARA V. ARCO, THE CALIFORNIA COURT OF APPEAL HELD THAT GOVERNMENT PLAINTIFFS MAY RETAIN PRIVATE OUTSIDE COUNSEL ON A CONTINGENT FEE BASIS TO PURSUE PUBLIC NUISANCE CLAIMS AGAINST PRODUCT MANUFACTURERS. THIS DECISION WILL ENABLE PRIVATE ATTORNEYS WITH A PROFIT MOTIVE TO PROSECUTE PURELY PUBLIC CLAIMS UNDER THE POLICE POWER OF THE STATE, AND MAKE IT EASIER FOR LOCAL GOVERNMENT IN CALIFORNIA TO ASSERT THE PUBLIC NUISANCE THEORY AS A MEANS OF TRANSFERRING THE COST OF ENVIRONMENTAL CLEAN UP AND REMEDIAL HEALTH CARE PROGRAMS TO THE PRIVATE SECTOR. NFIB SUBMITTED A LETTER BRIEF TO THE STATE SUPREME COURT REQUESTING THAT THE COURT REVIEW AND OVERTURN THE COURT OF APPEAL DECISION.

STATUS: PENDING. NFIB AMICUS BRIEF FILED IN SUPPORT OF PETITION FOR

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ATTACHMENT 1 (CONT'D)

REVIEW ON 06/06/08. AMICUS BRIEF ON THE MERITS FILED 04/23/09.

STOP THE BEACH RENOURISHMENT V. FLA. DEPT. OF ENVIR. PROTECTION - GOVERNMENT TAKINGS

U.S. SUPREME COURT

THE SUPREME COURT WILL DETERMINE WHETHER THE FLORIDA SUPREME COURT VIOLATED THE TAKINGS CLAUSE OF THE CONSTITUTION WHEN IT UPHELD THE FLORIDA BEACH AND SHORE PRESERVATION ACT. THE LAW AUTHORIZES THE STATE TO CONVERT PRIVATE WATERFRONT PROPERTY INTO A PUBLIC BEACH THUS DEPRIVING LAND OWNERS OF THEIR FULL LITTORAL RIGHTS WITHOUT COMPENSATION.

STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF LANDOWNERS ON 8/16/09.

TURKEN V. GORDON - CHALLENGING ECONOMIC DEVELOPMENT SUBSIDIES

ARIZONA SUPERIOR COURT FOR MARICOPA COUNTY

ARIZONA COURT OF APPEALS

ARIZONA SUPREME COURT

THE ISSUE IS WHETHER THE CITY OF PHOENIX'S $97.4 MILLION SALES TAX INCENTIVE GIVEN TO AN OUT-OF-STATE DEVELOPER VIOLATES THE ARIZONA CONSTITUTION'S PROHIBITION AGAINST TAX PAYER SUBSIDIES. THE MAJORITY OF

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ATTACHMENT 1 (CONT'D)

NFIB MEMBERS IN ARIZONA DO NOT BELIEVE THAT THE GOVERNMENT SHOULD PROVIDE TAX INCENTIVES TO BUSINESSES TO LOCATE OR RELOCATE TO A PARTICULAR CITY OR TOWN.

STATUS: PENDING. AMICUS BRIEF FILED IN SUPPORT OF TAX PAYERS CHALLENGING THE SUBSIDY ON 1/07/08. COURT DISMISSED PLAINTIFFS' LAWSUIT ON 4/2/08. AMICUS BRIEF FILED IN SUPPORT OF PLAINTIFFS' APPEAL TO THE ARIZONA COURT OF APPEALS ON 7/23/08. AMICUS BRIEF FILED IN ARIZONA SUPREME COURT 7/16/09.

FORM 990 PROVIDED TO GOVERNING BODY

PART VI, SECTION B: GOVERNING BODY AND MANAGEMENT, LINE 11

FOLLOWING AN INDEPENDENT AUDIT OF ITS FINANCIAL STATEMENTS, A DRAFT OF NFIB SMALL BUSINESS LEGAL CENTER'S FORM 990 IS PREPARED. THIS FORM 990 IS REVIEWED INTERNALLY BY NFIB SMALL BUSINESS LEGAL CENTER'S TAX ACCOUNTANT,CONTROLLER/TREASURER, AND SVP/CFO. ANY QUESTIONS ARISING FROM THE INITIAL REVIEW ARE ADDRESSED TO ENSURE THE RETURN IS COMPLETE AND ACCURATE. ANY NECESSARY CHANGES/CORRECTIONS ARE MADE ON THE FORM 990 AND THE RETURN AGAIN GOES THROUGH NFIB SMALL BUSINESS LEGAL CENTER'S INTERNAL REVIEW PROCESS. UPON APPROVAL OF THE SVP/CFO, THE FINAL RETURN IS FILED WITH THE INTERNAL REVENUE SERVICE. THE FINAL FILED RETURN IS MADE AVAILABLE TO THE BOARD OF DIRECTORS FOR REVIEW.

WRITTEN CONFLICT OF INTEREST POLICY

PART VI, SECTION B: POLICIES, LINE 12

EACH BOARD MEMBER, OFFICER AND EMPLOYEE OF NFIB SMALL BUSINESS LEGAL

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ATTACHMENT 1 (CONT'D)

CENTER IS REQUIRED TO SIGN AND SUBMIT A CODE OF CONDUCT & ETHICS CERTIFICATION FORM TO THE CFO'S OFFICE ON AN ANNUAL BASIS. BY COMPLETING THIS FORM, HE/SHE CONFIRMS THAT HE/SHE HAS READ THE CODE AND AGREES TO CONDUCT HIMSELF/HERSELF IN ACCORDANCE WITH THE CODE AND APPLICABLE LAWS. HE/SHE ALSO MUST LIST ON THE FORM ANY CONFLICTS OR POTENTIAL CONFLICTS OF INTEREST HE/SHE MAY HAVE WITH NFIB SMALL BUSINESS LEGAL CENTER AND ANY OTHER ETHICAL CONCERNS ABOUT WHICH HE/SHE FEELS NFIB SMALL BUSINESS LEGAL CENTER SHOULD BE MADE AWARE. THE CFO'S OFFICE WILL SUBMIT A REPORT TO THE FINANCE/AUDIT COMMITTEE REGARDING ANY MATERIAL ETHICAL OR LEGAL ISSUES DISCLOSED ON THE CERTIFICATION FORMS.

DOCUMENT RETENTION POLICY

PART VI, SECTION B: POLICIES, LINE 14

THE NFIB SMALL BUSINESS LEGAL CENTER HAS A WRITTEN DOCUEMENT RETENTION POLICY FOR THE HUMAN RESOURCES AND FINANCE/ACCOUNTING FUNCTIONS. WE ARE CURRENTLY IN THE PROCESS OF CREATING A COMPREHENSIVE COMPANY POLICY.

PROCESS OF DETERMINING COMPENSATION FOR OFFICERS AND OTHER KEY EMPLOYEES

PART VI, SECTION B: POLICIES, LINE 15

THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS IS RESPONSIBLE FOR DETERMINING COMPENSATION FOR THE CEO, CFO AND SECRETARY OF THE ORGANIZATION. THE TREASURER'S AND KEY EMPLOYEE'S COMPENSATION IS REVIEWED AND SET BY THE CEO. PERIODICALLY, AN OUTSIDE COMPENSATION CONSULTING FIRM IS ENGAGED TO PROVIDE EXPERT INFORMATION REGARDING INDUSTRY-WIDE COMPENSATION NORMS. THE RESULTS OF THIS INDEPENDENT REVIEW ARE PROVIDED TO THE EXECUTIVE COMMITTEE.

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ATTACHMENT 1 (CONT'D)

THE COMMITTEE RELIES ON THIS INDEPENDENT REVIEW TO ENSURE THAT REASONABLE COMPENSATION IS PAID TO THE CEO, CFO AND SECRETARY. THE COMMITTEE'S PHILOSOPHY IS TO ENSURE THAT THE COMPENSATION FOR THESE POSITIONS RELATIVE TO MARKET COMPARISONS IS COMPETITIVE IN ORDER TO ATTRACT, RETAIN AND MOTIVATE QUALIFIED EMPLOYEES WHILE NOT BEING AT THE TOP OF THE RANGE.

THE COMMITTEE SETS THE COMPENSATION FOR THE CEO, CFO AND SECRETARY EACH YEAR DURING THEIR MEETING WHICH IS TYPICALLY HELD IN JANUARY OR FEBRUARY. MINUTES FROM THESE ANNUAL MEETINGS ARE TAKEN BY THE CORPORATE SECRETARY DURING THE MEETING. WHEN THE MINUTES ARE REVIEWED AND APPROVED, THEY ARE RETAINED WITH ALL OTHER CORPORATE RECORDS.

DOCUMENTS AVAILABLE TO THE PUBLIC

PART VI, SECTION C: DISCLOSURE, LINE 19

IT IS NFIB SMALL BUSINESS LEGAL CENTER'S ("THE CENTER") POLICY TO MAKE AVAILABLE FOR PUBLIC INSPECTION, UPON REQUEST, EITHER WRITTEN OR IN PERSON, ITS EXEMPTION APPLICATION, SUPPORTING DOCUMENTS AND ANY LETTER OR DOCUMENT ISSUED BY THE IRS CONCERNING THE APPLICATION. THE CENTER ALSO MAKES AVAILABLE FOR PUBLIC INSPECTION AND COPYING, UPON REQUEST, EITHER WRITTEN OR IN PERSON, ITS FEDERAL FORM 990, RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX, AND ITS FORM 990-T, EXEMPT ORGANIZATION BUSINESS INCOME TAX RETURN. THE FORMS 990 & 990-T ARE AVAILABLE FOR A THREE-YEAR PERIOD BEGINNING WITH THE DUE DATE OF THE RETURN (INCLUDING ANY EXTENSION OF TIME FOR FILING). FOR THIS PURPOSE, THE 990-T RETURN INCLUDES ANY SCHEDULES, ATTACHMENTS, OR SUPPORTING DOCUMENTS THAT RELATE TO THE IMPOSITION OF TAX ON THE UNRELATED BUSINESS INCOME OF THE CHARITY. THE

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ATTACHMENT 1 (CONT'D)

CENTER'S CONFLICT OF INTEREST POLICY IS ALSO AVAILABLE TO THE PUBLIC UPON REQUEST, EITHER WRITTEN OR IN PERSON.

FORMER OFFICERS

PART VII, LINE 3

TODD STOTTLEMEYER AND DARREN ELROD WERE OFFICERS OF NFIB SMALL BUSINESS LEGAL CENTER FOR THE FIRST PART OF THE YEAR ENDED DECEMBER 31, 2009 AND THUS, REPORTED AS CURRENT YEAR OFFICERS. AS OF THE END OF THE CALENDAR YEAR, BOTH INDIVIDUALS WERE NO LONGER OFFICERS OF NFIB SMALL BUSINESS LEGAL CENTER.

METHOD OF DETERMINING THE VALUE OF THE AMOUNTS

SCHEDULE R, PART V, LINE 2, COLUMN C

NFIB SMALL BUSINESS LEGAL CENTER USES THE FAIR MARKET VALUE IN REPORTING TRANSACTIONS WITH RELATED ORGANIZATIONS.

ATTACHMENT 2

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

THE NFIB SMALL BUSINESS LEGAL CENTER IS A NONPROFIT PUBLIC BENEFIT CORPORATION CREATED UNDER THE TENNESSEE NONPROFIT CORPORATION ACT. IT IS ORGANIZED EXCLUSIVELY FOR CHARITABLE, EDUCATIONAL, AND SCIENTIFIC PURPOSES AS PERMITTED BY SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), INCLUDING, FOR SUCH PURPOSES, MAKING DISTRIBUTIONS TO ORGANIZATIONS THAT QUALIFY AS EXEMPT ORGANIZATIONS UNDER SECTION 501(C)(3) OF THE CODE. THE LEGAL CENTER IS A SUPPORTING ORGANZIATION PURSUANT TO SECTION 509(A)(3) OF

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number: 62-1570449

ATTACHMENT 2 (CONT'D)

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

THE CODE AND IS ORGANIZED AND OPERATED FOR THE BENEFIT OF NATIONAL FEDERATION OF INDEPENDENT BUSINESS ("NFIB"), WHICH IS A 501(C)(6) ORGANIZATION. THE LEGAL CENTER IS ORGANIZED TO CARRY ON CHARITABLE ACTIVITIES OF PROVIDING LEGAL EDUCATION AND REPRESENTATION ON ISSUES OF BROAD PUBLIC INTEREST.

ATTACHMENT 3

FORM 990, PART VI, LINE 17 - STATES

AL,AK,AZ,AR,CA,CO,CT,

DC,FL,GA,HI,IL,KS,KY,ME,MD,MA,MI,

MN,MS,NH,NJ,NM,NY,NC,ND,OH,OK,OR,PA,

RI,SC,TN,UT,VA,WA,WV,WI,

ATTACHMENT 4

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

NAME AND ADDRESS	DESCRIPTION OF SERVICES	COMPENSATION
PERSONALIZED MARKETING COMMUNICATIONS 85 AIRPARK DRIVE LYNCHBURG, VA 24502	FUNDRAISING MATERIAL	195,178.
TOTAL COMPENSATION		195,178.

SCHEDULE R (Form 990)

Department of the Treasury Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36 or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization: NFIB SMALL BUSINESS LEGAL CENTER

Employer identification number: 62-1570449

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
NATIONAL FEDERATION OF INDEPENDENT BUS. 94-0707299 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214	MEM. REPRES.	CA	501(C)(6)	N/A	N/A
NFIB RESEARCH FOUNDATION 04-3592337 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214	RESEARCH	TN	501(C)(3)	SUP. ORG. I	NFIB
NFIB YOUNG ENTREPRENEUR FOUNDATION 62-1557196 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214	EDUCATION	TN	501(C)(3)	SUP. ORG. I	NFIB
NFIB FEDERAL SAFE TRUST 94-2532364 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214	PAC	CA	527	N/A	NFIB

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
NFIB MEMBER SERVICES CORPORATION 94-2899404 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214-3682	MEMBER BENEFITS	CA	N/A	C			

Part V **Transactions With Related Organizations** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a		X
b	Gift, grant, or capital contribution to other organization(s)	1b		X
c	Gift, grant, or capital contribution from other organization(s)	1c	X	
d	Loans or loan guarantees to or for other organization(s)	1d		X
e	Loans or loan guarantees by other organization(s)	1e		X
f	Sale of assets to other organization(s)	1f		X
g	Purchase of assets from other organization(s)	1g		X
h	Exchange of assets	1h		X
i	Lease of facilities, equipment, or other assets to other organization(s)	1i		X
j	Lease of facilities, equipment, or other assets from other organization(s)	1j		X
k	Performance of services or membership or fundraising solicitations for other organization(s)	1k		X
l	Performance of services or membership or fundraising solicitations by other organization(s)	1l		X
m	Sharing of facilities, equipment, mailing lists, or other assets	1m	X	
n	Sharing of paid employees	1n		X
o	Reimbursement paid to other organization for expenses	1o	X	
p	Reimbursement paid by other organization for expenses	1p	X	
q	Other transfer of cash or property to other organization(s)	1q		X
r	Other transfer of cash or property from other organization(s)	1r		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved
(1)	NFIB YOUNG ENTREPRENEUR FOUNDATION	LINE C	427,060.
(2)	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	LINE M	109,706.
(3)	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	LINE O	169,882.
(4)	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	LINE P	66,478.
(5)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No